

ECONOMIC DEVELOPMENT



The Idaho Innovation Center is small business incubator in Bonneville County. The Regional Development Alliance provided funding to support company-specific facility upgrades and modifications at the Center, above. The project has helped create 90 new jobs.



Premier Technologies, Inc. is a food processing company in Pocatello. The Regional Development Alliance provided funding for design, fabrication, and installation of service equipment lines. The company has hired 70 new employees since it received RDA finding.

Regional Development Alliance Totals as of September 30, 2000

Requests: \$84,375,553.00

Awards: \$12,576,098.00

Committed: \$16,154,483.00

Under consideration:

\$2,528,000.00

Projected jobs: 2,761

Actual jobs, to date: 1,700

Conventional wisdom and investment gurus say, “Don’t put all your eggs in one basket.” Mark Twain said it’s better to “Put all your eggs in the one basket and—*watch that basket!*”

When it comes to eastern Idaho’s economy, the answer probably lies somewhere in between. The state is reinforcing and “watching the INEEL basket” by supporting efforts to tap the resources of the INEEL in areas such as systems and process engineering, national security mission, biotechnology and nuclear research. Given the shifting sands of politics and federal budgets, Idaho also supports making strategic investments in other areas consistent with the region’s strengths.

Diversifying eastern Idaho’s economic portfolio

Idaho has received all of the \$30 million DOE will pay the state under the 1995 settlement agreement to reduce eastern Idaho’s economic dependence on the INEEL.

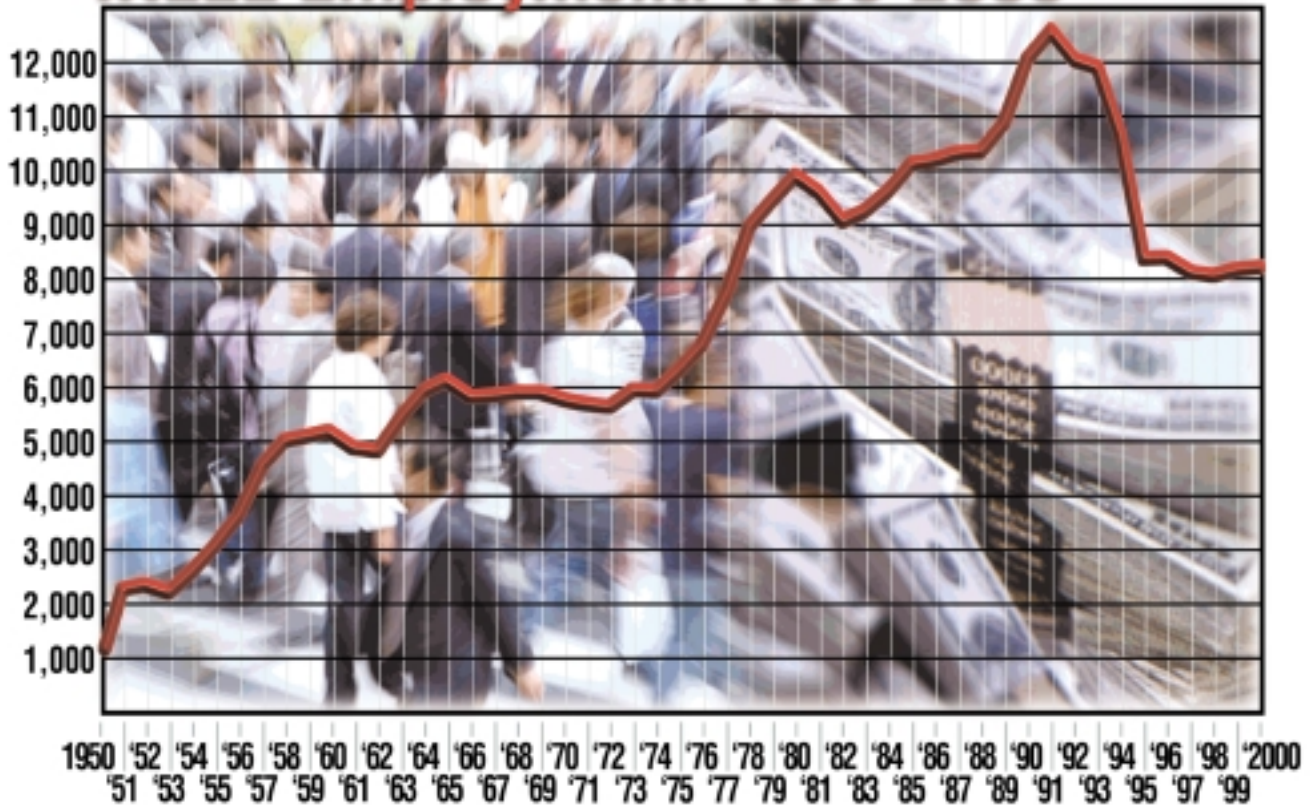
To put most of the responsibility for determining the region’s economic future in local hands, Idaho has contracted with the Regional Development Alliance (RDA) to manage most of the funds. RDA is run by a 15-member board, made up of elected officials and local business leaders from the seven Idaho counties most affected by INEEL employment.

The RDA has received \$18.5 million and committed over \$16 million to qualified projects.

Idaho has also contracted with state educational institutions to fund training and technology development activities. These investments have included entrepreneurial training through Boise State’s Small Business Development Centers in the region, the Idaho Accelerator Center at Idaho State University, and upgrades to distance learning capabilities in the region through Eastern Idaho Technical College and the University of Idaho.

The State estimates current investments will create 3,000 jobs in conjunction with other economic development efforts.

INEEL Employment: 1950-2000



Idaho spaceport grounded

In 1998, Idaho began promoting the commercial development of a spaceport on the INEEL. This location had several logistical advantages for certain satellite orbits. In early 1999, the Regional Development Alliance provided money from the INEEL Settlement Fund to support the startup of the NorthStar Corporation to pursue spaceport development at the INEEL. However, the market for rocket-based satellite launches collapsed during the summer of 1999 and efforts to develop economically viable retrievable launch vehicles fell behind schedule. As a result, the NorthStar Corporation, with RDA's and the State's concurrence, stopped active operations in September 1999. The Idaho site remains a candidate for retrievable launch operations, and the NorthStar Board of Directors will continue to evaluate this market. NorthStar spent approximately \$400,000 of INEEL settlement funds to evaluate launch markets and the technical suitability of a Spaceport in Idaho.

INEEL contractor economic diversification efforts

BBWI's five-year contract with DOE includes a community and economic development plan. BBWI has committed to yearly investments in job creation and community improvements in the region:

- \$1.4 million to local and regional entities fostering Idaho economic development;
- \$600,000 in corporate contributions to charitable activities; and
- up to \$8,000,000 (\$1.5 million minimum) in corporate-funded research and development at the INEEL.

BBWI partner Bechtel relocated its corporate research and development to Idaho Falls. BBWI also plans to connect INEEL technologies to Bechtel's and Babcock and Wilcox's over 5,400 customers. BBWI projects its efforts will create 3,000 non-DOE payroll jobs in Idaho during its five-year contract.

The INEEL's 2000-2004 institutional plan provides a five-year roadmap for the site. The plan reiterates the INEEL's commitment to "provide for the safe, timely and cost-effective cleanup and disposal" of the site's legacy from 50 years of nuclear materials handling. The plan also outlines three primary "strategic thrusts": environmental quality, nuclear technology, and energy efficiency/renewable energy. Major initiatives in these areas include:

1. **Environmental Quality**

- Long-Term Environmental Stewardship initiative—identify and address technology needs for cleanup and site maintenance over the long term.
- Vadose Zone (area between the surface and permanent ground water table) Initiative—improve understanding of how key contaminants move through this zone at the INEEL and at DOE sites across the country.
- Subsurface Science Initiative—build research facilities and infrastructure necessary to answer/address questions related to the underground movement of contaminants that may affect cleanup decisions.

2. **Nuclear Energy**

- Generation Four Nuclear Reactor Initiative—conduct preliminary planning and research for the "next generation" of nuclear reactors, improving safety, economic competitiveness and non-proliferation (prevention) of nuclear weapons, while minimizing waste.
- Nonproliferation Fuel Cycle Initiative—develop way to destroy weapons-grade plutonium by using it in reactor fuel in a way that reduces opportunities for its use in weapons production.

3. **Energy Efficiency Renewable Energy**

- Clean Fuel Initiative—develop and improve usability of petroleum-alternative fuels from biomass, methane hydrates, and other material.

The plan also proposes a Scientific Simulation Initiative to enhance computer simulation and modeling capabilities applicable to focus areas.

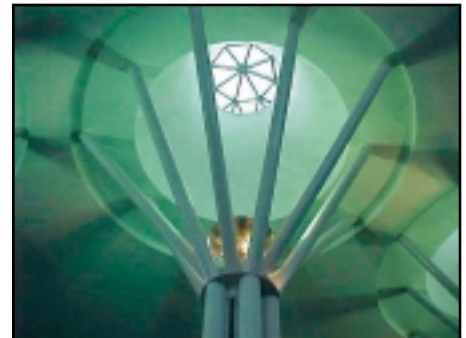
Research Alliance, an important partner

The Inland Northwest Research Alliance (INRA), composed of seven state universities from the region is one of the partners that make up INEEL contractor BBWI, and will play a key role in INEEL research efforts.

INRA universities have identified 16 core research areas that build on and complement the INEEL's traditional strengths in fields such as applied engineering and chemistry, information management technologies, nuclear science, and intelligent automation.



Spudnik Equipment manufactures equipment for agricultural operations. The Regional Development Alliance provided funding to an expansion of the company's operations in Blackfoot. The company has hired 64 new employees since it received RDA funding.



RDA funding helped **SME Steel** open a heavy structural steel fabrication facility in Pocatello. These pictures are from work done by SME Steel at the Salt Palace in Salt Lake City. The company has hired 110 new employees since it received RDA funding.